



Recording the past-protecting the future.
CREDIT REPORTING / COLLECTIONS

Dear Property Owner,

Thank you for your interest in becoming a FABCO member. We provide our clients with a detailed three-part report to aid landlords in improving the quality of their prospective tenants. Our three-step membership process is quick and easy to complete, and our expert F X V W R P U H L F H V-W-D-I-A-S-I-S-T-Y-O-U in any way possible.

To Become a FABCO Member:

Step 1: Complete your membership paperwork.

- Application
- Contract
- Copy of your driver's license
- Letter of intent

Step 2: Return membership paperwork along with application fee to FABCO.

Step 3: An office inspection will be set up upon receipt of payment and paperwork. Once completed, you are all set to run screenings will be done

Attached is a more detailed description of each step involved in the membership process. Please take special note of the section outlining the "Requirements for Obtaining Credit Reports," which are set by the three National Credit Bureaus.

Once your FABCO membership has been completed and confirmed, we will contact you by e-mail or phone to inform you of your FABCO account number and web log-in information.

If you have any questions regarding membership, please do not hesitate to contact our Customer Service Department for assistance at (614) 538-5600 or (800) 669-5010.

Sincerely,

FABCO
Customer Relations

Requirements for Obtaining Credit Reports

To comply with the Fair Credit Reporting Act (FCRA) requirements set by the three National Credit Bureaus, FABCO must verify the **IDENTITY** and **CERTIFICATION** of each of our members. This includes an office inspection and a new Membership Application & Contact between FABCO and the client (Updated every five years).

ONE OF THE FOLLOWING REQUIREMENTS MUST BE MET TO OBTAIN CREDIT REPORTS (In all cases, the end user means the FABCO member):

1. End user is listed in the Yellow Pages, yp.com or 411.com. If you are currently not listed in the Yellow Pages, you may visit yp.com and the online listing is easy and **FREE**.
2. End user has a business telephone line (no cell phones) with a bill that reflects the same company name and address, and shows business or commercial rate charges.
3. End user is a member of a national trade organization such as the Columbus Apartment Association, REIA, or the Ohio Board of Realtors.
4. End user has been approved by the Internal Revenue Service as a tax-exempt organization pursuant to Section 501 (C) (3) of the Internal Revenue Code.
5. End user has a business office with a separate sign that reflects the company name.

Composing Your Letter of Intent

The Letter of Intent only applies to applicants who wish to obtain credit reports. For those who choose to only receive the rental and criminal reports, a Membership Application and Contract will be sufficient.

When composing your Letter of Intent, you should include the following:

- Company name
- Intent of business with FABCO
- Location of your home office and all other offices that will utilize your FABCO membership
- Whether you will be conducting business locally, regionally, or nationally
- Estimate of how many reports you intend to run each month

Once completed, you may fax, e-mail, or mail your paperwork to FABCO. Along with your paperwork, please include a copy of your driver's license or state ID and payment for your membership start-up fee, which is described in the following section.

Membership Start-Up Fee

In addition to your Membership Paperwork, you will be charged a one-time membership start-up fee of **\$100**. This fee covers the cost of processing your paperwork and the \$65.00 office inspection that is required by the three National Credit Bureaus.

Office Inspection

Upon receipt of your Membership Paperwork, FABCO will set you up with a third-party company to complete your office inspection. This is a requirement set by all three National Credit Bureaus for any landlord seeking to access credit reports. You will be contacted by one of our third-party inspection companies to set up a convenient time to complete your inspection. The inspector will verify your means for securing the credit reports, such as a locked filing cabinet, locked office area, password protected computer, etc. The cost of the office inspection is included in your \$100 membership start-up fee.

FABCO PRICE SHEET

Nationwide quality you need, with the small town service you trust.

Rental Report

- National Eviction Records
- Rental Collections
- Complete Address History
- Landlord Inquiries
- FAB Alerts

Credit Report

- Nationwide
- FICO scores
- Address Mismatch Alerts
- High-risk Fraud Alerts
- Red Flag Compliant

Criminal Report

- 50-State Record Search
- Arrest Records
- Common Pleas
- Department of Corrections

Rental/Credit/Criminal **\$25.00** per applicant

Rent/Credit Only **\$15.50** per applicant

Criminal Only **\$11.00** per applicant

*All options include the one-time
membership start-up fee of \$100.00 and
an annual membership fee of \$25.00 after your first year.
(Membership dues for your first year are covered in your \$100 start-up fee)*

FABCO Website: www.fabcogroup.com

A FABCO Representative will provide you with the proper billing number, username, and password to gain access to the website.

Technical Support: (614) 737-5714 or (800) 688-5010 ext. 344

FABCO MEMBERSHIP APPLICATION

Date of Application: _____

All information must be completed in its entirety. Please print clearly and legibly to help ensure accurate and timely processing.

Name: _____ SS#: _____
Last First Middle

Spouse: _____ SS#: _____
Last First Middle

How were you referred to FABCO? _____

General Information

Company Name (if applicable): _____ Years in Business ____yrs. ____mos.

Type of Ownership (circle one): Partnership Sole Owner Nonprofit Corporation

Are you listed in the telephone directory? Yes No Verified by FABCO

Physical Street Address (no P.O. Box numbers please): _____

City: _____ State: _____ Zip: _____ How Long? ____yrs. ____mos.

Billing Address: _____

City: _____ State: _____ Zip: _____ How Long? ____yrs. ____mos.

Please *circle* the primary phone number below:

Bus. Phone: () _____ Home Phone: () _____

Fax: () _____ Cell Phone: () _____

E-mail Address: _____

Business Information

Please tell us about your business.

Type of Business: _____

Do you have an Investigation License? Yes No (If yes, please provide a copy with this application)

Approximately how many reports will you be accessing monthly? _____

Will you be accessing employment reports for hiring purposes? Yes No

Permissible Purpose Information

Application will not be processed unless this information is provided.

Describe the specific purpose for which consumer reports will be used. _____

Address Listing of Your Properties

This section must be completed prior to approval of FABCO membership. Please attach an additional page if necessary.

Total number of units owned or managed: _____

Address	City/State	County	Address	City/State	County
1)			6)		
2)			7)		
3)			8)		
4)			9)		
5)			10)		

Method of Payment

Check Please make checks payable to FABCO.

Credit Card Number Visa Mastercard Discover Card

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Expiration Date: _____

V-Code: _____
(last 3 digits on back of card)

Daytime Phone: _____

I authorize FABCO to charge \$ _____ to my Visa/Mastercard/Discover Card.

(signature)

Applicant's Statement

I certify that I will use the FABCO Reports (Rental, Credit, and Police) for no other purpose other than what is stated in the Permissible Purpose Section above. I will not sell the report to any consumer directly or indirectly. I understand that if the system is used improperly by company personnel, or if my access codes are made available to any unauthorized personnel, I may be held responsible for financial losses, fees, or monetary charges and that my access as a FABCO member may be terminated.

I certify that all of the foregoing information is a complete and accurate statement of the facts and understand that if any misrepresentation, omission, or falsification were discovered, it will constitute grounds for membership revocation. I hereby authorize you to conduct any credit investigation necessary concerning any part of my and/or my company's background. I release all parties from any liability in connection with the provision and use of such information.

I certify that I have read and understand the above statement and certify that all of the information provided is accurate. If membership is accepted, I will abide by FABCO Rules and Regulations as set forth in the membership agreement.

Print Name and Title of Owner/Officer

Company Name

Authorized Signature

Date



Recording the past-protecting the future.
CREDIT REPORTING / COLLECTIONS

MEMBERSHIP CONTRACT

This agreement is entered into this ____ day of _____ between _____, hereinafter designated "Member," and the Federal Adjustment Bureau, Inc., hereinafter designated "FABCO." FABCO, in consideration of the promises and agreements of Member herein contained, agrees to use its facilities and personnel to the fullest extent in profile reporting. Member agrees to pay FABCO for membership and services in accordance with the charges outlined.

MEMBERSHIP REQUIREMENTS

- 1.) Member agrees to remit a membership fee of \$ _____ for a period of one year commencing on the first day of _____. Membership will remain in effect for one year, and thereafter, shall automatically renew from year to year, until written notice of cancellation is given by either party at least thirty (30) days prior to the membership renewal date.
- 2.) Members shall be entitled to use FABCO screening services immediately upon FABCO approval of membership application, and receipt of executed contract and proper remittance.
- 3.) Member will indemnify and hold FABCO harmless from any and all claims, demands, or causes of action that may be asserted on account of the *unauthorized* use of the security code number.
- 4.) If Member denies a credit application or takes adverse action in whole or in part due to the report obtained from FABCO, Member will give the consumer the name and address of FABCO. FABCO agrees to provide the applicant with a copy of the FABCO file free of charge within 60 days of processing, and also offer the address and telephone number of any credit reporting agency and/or sheriff's office, if applicable.
- 5.) Payment for services shall be payable upon receipt of billing submitted at the close of each calendar month. Any invoices that are 30 days past due will be charged 1½ % interest per month on all unpaid balances, with a minimum interest charge of \$1.50. Management companies representing property owners are responsible for the payment of all invoices. If accounts become 90 days past due, Member grants FABCO permission to deduct any or all monies owed from collection remittance that may be due to Member. If accounts become 120 past due, membership will be revoked.
- 6.) Member agrees to assist FABCO with identifying residents who have had evictions filed against them.

PERMISSIBLE PURPOSE

- 1.) **Members and employees of members are expressly forbidden to attempt to obtain reports on themselves, family members, or associates, unless the report is requested for a permissible purpose and for use in connection with a credit transaction, for employment purposes, or some other legitimate business purpose.**
- 2.) Member agrees to obtain all necessary information from the applicant prior to placing an inquiry by telephone, fax, or web. Member must obtain the applicant's signature on the application prior to requesting reports. Member agrees to keep consent form and application on file for at least five years.
- 3.) **Member shall provide FABCO, upon request, with a copy of the credit/rental application. Regardless of whether FABCO makes such a request, Member agrees that it will obtain written consent from the consumer before Member requests a report from FABCO. The written consent of the consumer must include the acknowledgment of the applicant that his or her individual credit history will be a factor in the evaluation of the application, and that they the consumer consents to and authorizes the Member to obtain and use a consumer credit report on the individual signing the application as needed in the evaluation process.**
- 4.) Member also agrees to hold all information in strict confidence and under no circumstances reveal information in the report to any person not engaged by Member as an employee.

Any violation of the Permissible Purpose Section will result in immediate revocation of all reporting privileges. Also, under the Fair Credit Reporting Act (FCRA), any person who knowingly and willfully obtains information from a consumer reporting agency under false pretenses shall be fined no more than \$10,000.00 or imprisoned no more than one year or both.

MEMBERSHIP SERVICES

Rental Report

Member shall receive all information in the FABCO database relating to evictions, rental histories and rental collections.

Credit Report

Member shall receive loan information, credit card history, public records, and customer inquiries.

Criminal Report

Member shall receive a listing of all reported arrests/convictions made in participating counties.

If upon submission of application to FABCO, Member does not receive information back within a reasonable amount of time, they should immediately call the Customer Service Department for assistance. **Do not repeatedly enter the report, as you will be charged for each entry.** No refund will be made after a request is entered into the system. **The FABCO website will process applications from 7 a.m. to 8 p.m., seven days a week.**

PRICE SCHEDULE

Charges for all applicable reports shall be listed on the FABCO Price Sheet.

I certify that I will use the FABCO Reports (Rental, Credit, and Police) for no other purpose other than what is stated in the Permissible Purpose Section. I will not sell the report to any consumer directly or indirectly. I understand that if the system is used improperly by company personnel, or if my access codes are made available to any unauthorized personnel, I may be held responsible for financial losses, fees, or monetary charges and that my access privilege may be terminated. **I certify that if any misrepresentation, omission, or falsification is discovered, FABCO will be authorized to revoke my membership.**

I certify that I have read and understand the above statements and certify that all information provided is accurate. If membership is accepted, I will abide by the FABCO Rules and Regulations as set forth in this membership package. **I certify that I have read and initialed Addendum A, B, & C and will comply with each extension in its entirety.**

COMPANY NAME: _____ **UNIT COUNT:** _____

ADDRESS: _____ **CITY:** _____ **STATE:** _____ **ZIP:** _____

BUSINESS PHONE: _____

HOME PHONE: _____

CELL PHONE: _____

FAX: _____

X: _____ **(MEMBER/AGENT FOR)** **DATE:** _____
Signature

X: _____ **(AGENT FOR FABCO)** **DATE:** _____

ADDENDUM A

PERMISSIBLE PURPOSE UNDER THE FAIR CREDIT REPORTING ACT

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Federal Trade Commission's website at www.ftc.gov/credit. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Commission's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A.) Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1).
- As instructed by the consumer in writing. Section 604(a)(2).
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A).
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b).
- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C).
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i).
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii).
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D).
- For use by a potential investor, servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E).
- For use by the state and local officials in connection with determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604(a)(5).

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "pre-screened" unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of "pre-screened" information are described in Section VII below.

B.) Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purposes.

C.) Users Must Notify Consumers When Adverse Actions Are Taken

The term "adverse action" is defined very broadly by Section 603. "Adverse actions" include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA (such as denying or canceling credit or insurance, or denying employment or promotion). No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1.) Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer's right to obtain a free disclosure of the consumer's file from the CRA if the applicant makes the request within 60 days.
- A statement setting forth the consumer's right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2.) Adverse Action Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the type of information is covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3.) Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information no later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D.) Users Have Obligations When Fraud and Active Duty Military Alerts are In Files

When a consumer has places a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p), and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E.) Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs users, must comply with regulations specifying the procedures to be followed, which will be issued by the Federal Trade Commission and the banking and credit union regulators. The Federal Trade Commission's regulations will be available at www.ftc.gov/credit.

F.) Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Federal Trade Commission, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Federal Trade Commission's regulations may be found at www.ftc.gov/credit.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations to be jointly prescribed by the Federal Trade Commission and the Federal Reserve Board. Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) (“Notice to the Home Loan Applicant”).

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A.) Employment Other Than in the Trucking Industry

If information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain prior written authorization from the consumer at the time of employment to access reports during the term of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer’s rights will be provided to the consumer.
- **Before** taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of the consumer’s rights (the user should receive this summary from the CRA). A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice is also required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2).

The procedure for investigative consumer reports and employee misconduct investigations are set forth below.

B.) Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer’s character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is affiliated with a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained.
- This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or no later than three days after the date on which the report was first requested.
- The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA (the summary of consumer rights will be provided by the CRA that conducts the investigation).
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer, made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with federal, state, or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes, or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators), the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USER OF “PRE-SCREENED” LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(l), 604(c), 604(e), and 615(d). This practice is known as “pre-screening” and typically involves obtaining from a CRA a list of consumers who meet the certain pre-established criteria. If any person intends to use pre-screened lists, the person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation, a clear and conspicuous statement that:

- Information contained in a consumer’s CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended, if after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future pre-screened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, once the Federal Trade Commission by rule has established the format, type size, and manner of the disclosure required by Section 615(d), users must be in compliance with the rule. The FTC’s regulations can be found at www.ftc.gov/credit.

VIII. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The FTC’s website, www.ftc.gov/credit, has more information about the FCRA, including publications for businesses and the full text of the Fair Credit Reporting Act.

Citations for FCRA Sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

- Section 602 15 U.S.C. 1681
- Section 603 15 U.S.C. 1681a
- Section 604 15 U.S.C. 1681b
- Section 605 15 U.S.C. 1681c
- Section 605A 15 U.S.C. 1681cA
- Section 605B 15 U.S.C. 1681cB
- Section 606 15 U.S.C. 1681d
- Section 607 15 U.S.C. 1681e
- Section 608 15 U.S.C. 1681f
- Section 609 15 U.S.C. 1681g
- Section 610 15 U.S.C. 1681h
- Section 611 15 U.S.C. 1681i
- Section 612 15 U.S.C. 1681j
- Section 613 15 U.S.C. 1681k
- Section 614 15 U.S.C. 1681l
- Section 615 15 U.S.C. 1681m
- Section 616 15 U.S.C. 1681n
- Section 617 15 U.S.C. 1681o
- Section 618 15 U.S.C. 1681p
- Section 619 15 U.S.C. 1681q
- Section 620 15 U.S.C. 1681r
- Section 621 15 U.S.C. 1681s
- Section 622 15 U.S.C. 1681s-1
- Section 623 15 U.S.C. 1681s-2
- Section 624 15 U.S.C. 1681t
- Section 625 15 U.S.C. 1681u
- Section 626 15 U.S.C. 1681v
- Section 627 15 U.S.C. 1681w
- Section 628 15 U.S.C. 1681x
- Section 629 15 U.S.C. 1681y

READ & INITIALED

MEMBER _____

DATE _____

ADDENDUM B

CLASSICSM CREDIT RISK SCORE SERVICES ADDENDUM

(Required Terms for Addendum to Subscriber Agreement for Consumer Reports between Reseller and its Customer)

1. Based on an agreement with TransUnion, LLC (“TransUnion”) and Fair Isaac Corporation (“Fair Isaac”) (“Reseller Agreement”), Reseller has access to a unique and proprietary statistical credit scoring service jointly offered by TransUnion and Fair Isaac, which evaluates certain information in the credit reports of individual consumers from TransUnion’s database (“Classic”) and provides a score which rank orders consumers with respect to the relative likelihood that United States consumers will repay their existing or future credit obligations satisfactorily over the twenty four (24) month period following scoring (the “Classic Score”).
2. Subscriber, from time to time, may desire to obtain Classic Scores from TransUnion via an on-line mode connection with consumer credit reports.
3. Subscriber has previously represented and now, again represents that it is a landlord and has a permissible purpose for obtaining consumer reports, as defined by Section 604 of the Federal Fair Credit Reporting Act (15 U.S.C. 1681b) including, without limitation, all amendments thereto (“FCRA”).
4. Subscriber certifies that it will request Classic Scores pursuant to procedures prescribed by Reseller from time to time only for the permissible purpose certified above, and will use the Classic Scores obtained for no other purpose.
5. Subscriber will maintain copies of all written authorizations for a minimum of three (3) years from the date of inquiry.
6. Subscriber agrees that it shall use each Classic Score only for a one-time use and only in accordance with its permissible purpose under the FCRA.
7. With just cause, such as delinquency or violation of the terms of this contract or legal requirement. Reseller may, upon its election, discontinue serving the Subscriber and cancel this Agreement, in whole or in part (e.g. the services provided under this Addendum only) immediately.
8. Subscriber recognizes that factors other than the Classic Score may be considered in making a credit decision. Such other factors include, but are not limited to, the credit report, the individual account history, and economic factors.
9. Trans Union and Fair Isaac shall be deemed third party beneficiaries under this Addendum.
10. Up to five score reason codes, or if applicable, exclusion reasons are provided to Subscriber with Classic Scores. These score reason codes are designed to indicate the reasons why the individual did not have a higher Classic Score, and may be disclosed to consumers as the reason for taking adverse action, as required by the Equal Credit Opportunity Act (“ECOA”) and its implementing Regulation (“Reg. B”). However, the Classic Score itself is proprietary to Fair Isaac, may not be used as the reason for adverse action under Reg. B and, accordingly, shall not be disclosed to credit applicants or any other third party, except: (1) to credit applicants in connection with approval/disapproval decisions in context of bona fide credit extension transactions when accompanied with its corresponding score reason codes; or (2) as clearly required by law. Subscriber will not publicly disseminate any results of the validation or other reports derived from the Classic Scores without Fair Isaac and TransUnion’s prior written consent.
11. In the event the Subscriber intends to provide Classic Scores to any agent, Subscriber may do so provided, however, that Subscriber first enters into a written agreement with such agent that is consistent with Subscriber’s obligations under this Agreement. Moreover, such agreement between Subscriber and such agent shall contain the following obligations and acknowledgments of this agent: (1) such agent shall utilize the Classic Scores for the sole benefit of Subscriber and shall not utilize the Classic Scores for any other purpose including for such agent’s own purposes or benefit; (2) that the Classic Score is proprietary to Fair Isaac and, accordingly, shall not be disclosed to the credit applicant or any third party without TransUnion and Fair Isaac’s prior written consent except (a) to credit applicants in connection with approval/disapproval decisions in the context of bona fide credit extension transactions when accompanied with its corresponding score reason codes; or (b) as clearly required by law; (3) such agent shall not use the Classic Scores for model development, model validation, model benchmarking, reverse engineering, or model calibration; (4) such agent shall not resell the Classic Scores; and (5) such agent shall not use the Classic Scores to create or maintain a database for itself or otherwise.
12. Subscriber acknowledges that the Classic Scores provided under this Agreement, which utilize an individual’s consumer credit information, will result in an inquiry being added to the consumer’s credit file.

13. Subscriber shall be responsible for compliance with all applicable federal or state legislation, regulations and judicial actions, as now or as many become effective including, but not limited to, the FCRA, the ECOA, and Reg. B, to which it is subject.
14. The information including, with limitation, the consumer credit data, used in providing Classic Scores under this Agreement were obtained from sources considered to be reliable. However, due to the possibilities of errors inherent in the procurement and compilation of data involving a large number of individuals, neither the accuracy nor completeness of such information is guaranteed. Moreover, in no event shall TransUnion, Fair Isaac, nor their officers, employees, affiliated companies or bureaus, independent contractors or agents be liable to the Subscriber for any claim, injury, or damage suffered directly or indirectly by the Subscriber as a result of the inaccuracy or incompleteness of such information used in providing Classic Scores under this Agreement and/or as a result of the Subscriber's use of Classic Scores and/or any other information or service provided under this Agreement.
15. (1) Fair Isaac, the developer of Classic, warrants that the scoring algorithms as delivers to TransUnion and used in the computation of the Classic Score ("Models") are empirically derived from TransUnion's credit data and are a demonstrably and statistically sound method of rank-ordering candidate records with respect to the relative likelihood that United States consumers will repay their existing or future credit obligations satisfactorily over the twenty four (24) month period following scoring when applied to the population for which they were developed, and that no scoring algorithm used by Classis uses a "prohibited basis" as that term is defined in the Equal Credit Opportunity Act (ECOA) and Regulation B promulgated thereunder. Classic provides a statistical evaluation of certain information in TransUnion's files on a particular individual, and the Classic Score indicates the relative likelihood that the consumer will repay their existing or future credit obligations satisfactorily over the twenty four (24) month period following scoring relative to other individuals in TransUnion's database. The score may appear on a credit report for convenience only, but it is not a part of the credit report nor does it add to the information in the report on which it is based.

(2) The warranties set forth in Section 15.1 are the sole warranties made under this Addendum concerning the Classic Scores and any other documentation or other deliverables and services provided under this Agreement; and neither Fair Isaac nor TransUnion make any other representations or warranties concerning the products and services to be provided under this Agreement other than as set forth in this Addendum. The warranties and remedies set forth in Section 15.1 are in lieu of all others, whether written or oral, expressed or implied (including, without limitation, warranties that might be implied from a court of performance or dealing or trade usage). There are no implied warranties of merchantability or fitness for a particular purpose.
16. In no event shall any party be liable for any consequential, incidental, indirect, special, or punitive damages incurred by the other parties and arising out of the performance of this agreement, including but not limited to loss of good will and lost profits or revenue, whether or not such loss or damage is based in contract, warranty, tort, negligence, strict liability, indemnity, or otherwise, even if the party has been advised of the possibility of such damages. These limitations shall apply notwithstanding any failure or essential purpose of any limited remedy.
17. The foregoing notwithstanding, with respect to the Subscriber, in no event shall the aforementioned limitations of liability, set forth above in Section 16, apply to damages incurred by TransUnion and/or Fair Isaac as a result of: (a) governmental, regulatory, or judicial action(s) pertaining to violations of the FCRA and/or other laws, regulations, and/or judicial actions to the extent such damages result from the Subscriber's breach, directly or through the Subscriber's agent(s), of its obligations under this Agreement.
18. Additionally, neither TransUnion nor Fair Isaac shall be liable for any and all claims arising out of or in connection with this Addendum brought more than one (1) year after the cause of action has been accrued. In no event shall TransUnion's and Fair Isaac's aggregate total liability, if any, under this Agreement, exceed the aggregate amount paid, under this Addendum, by the Subscriber during the twelve (12) month period immediately preceding any such claim, or ten thousand dollars (\$10,000.00), whichever amount is less.
19. This addendum may be terminated automatically and without notice: (1) in the event of a breach of the provisions of this Addendum by the Subscriber; (2) in the event that the Agreement(s) related to Classic between TransUnion, Fair Isaac, and the Reseller are terminated or expire; (3) in the event that the requirements of any law, regulation, or judicial action are not met; (4) as a result of changes in laws, regulations, or regulatory or judicial action, that the requirements of any law, regulation, or judicial action will not be met; and/or (5) if the use of the Classic Score is the subject of litigation or threatened litigation by any governmental entity.

READ & INITIALED

MEMBER

DATE

ADDENDUM C

PRIVACY, COMPLIANCE, AND AUTHORIZED END USER ADDENDUM

FABCO (“Reseller”) and TransUnion, LLC (“TransUnion”) have entered into a Reseller Agreement to allow _____ (“End User”) access to a consumer’s private personal information. The following language set forth in this addendum explains who has the ability and permission to view the consumer data. FABCO is listed as the Reseller whereas the End User is listed as you, your authorized agent, and/or your company. The consumer reports obtained from the Reseller are for one-time use only (including the FICO Score). The End User is not at liberty to share the information contained in the report. Each End User is required to submit their own permissible purpose when ordering a report as is in accordance with the language contained herein.

Set forth below are provisions of the Reseller Agreement and the Policy that by their terms are binding upon the End User, provided that the references below to “this Agreement” shall be deemed to refer to the Reseller Agreement, references to “the Policy” shall be deemed to refer to TransUnion’s Policy and references to a “Service Agreement” shall be deemed to refer to the End User’s FABCO Membership Contract.

I. CERTIFYING END USER & PERMISSIBLE PURPOSE

Prior to requesting each consumer report, the Reseller shall identify, in accordance with Section IV of this Agreement, the End User of the consumer report, certify each permissible purpose for which the consumer report will be used, and certify that the consumer report will be used for no other purpose, as defined by Section 607 of the FCRA.

II. RESELLER PRIVILEGES & USES OF CONSUMER REPORTS

Reseller may merge consumer reports with similar data obtained from other consumer reporting agencies (“Merged Reports”). Each consumer report obtained by the Reseller shall be used only one time, and only by or on behalf of the End User for whom it was requested. Notwithstanding the foregoing, the Reseller may archive, retain, or use the consumer reports on behalf of the End User for whom it was requested for audit or disaster recover purposes. Reseller may also archive, retain, or use the consumer reports if the Reseller is required by law to maintain the consumer report for purposes of performing a consumer-initiated investigation or to provide, at the consumer’s request, a modified version of the same consumer report to the End User for whom it was originally requested. In the event that the Reseller has archived a consumer report for such purpose, and receives a court order or federal grand jury subpoena for that report, such consumer report may be reproduced. In no event, however, should a new consumer report be requested from TransUnion in response to any subpoena; rather, the Reseller should direct the requesting part to TransUnion.

III. SERVICE AGREEMENTS TO ESTABLISH PERMISSIBLE PURPOSE

Reseller shall obtain Service Agreements from such End Users that contain the language set forth in the Policy. Wherein, required by the FCRA, each End User will state the nature of its business, certify the specific permissible purpose for which each consumer report will be obtained, and agree that a consumer report will be used only one time and was obtained for no other purpose. The Reseller shall promptly provide written notice to TransUnion upon termination of any such Service Agreement

IV. IDENTIFICATION OF END USER

A.) Reseller shall identify each End User as mutually agreed between TransUnion and Reseller and as set forth in this Agreement and the Policy. Unless otherwise agreed in writing, Reseller shall provide to TransUnion each End User’s trade name, address, and telephone number so that TransUnion can create a customer code for such End Users. Each time a consumer report is accessed for each End User for whom the Reseller procures consumer reports, the Reseller shall provide to TransUnion the End User’s identity by subscriber number, name, address, and telephone number, and the permissible purpose for which each report is sought, so that such information may be noted on the report for the consumer who is the subject of the report accessed. Reseller’s failure to comply with the requirements of this Section IV may result in immediate suspension and/or termination of this Agreement, at TransUnion’s sole discretion, in accordance with Section VIII.A.

B.) If any current End Users have been assigned a Reseller code to access TransUnion, Reseller shall identify such End Users and determine that the certifications required, and all other obligations stated in this Agreement and the Policy, are complied with by such End Users. The Reseller shall terminate all unauthorized users who have an access code for the Services and/or prevent them from having access to the Services.

By signing below I certify my understanding that the entity that purchases a report from FABCO is the End User, and this entity is the only one that should have access and use of the report. In summary, I agree that the consumer reports obtained will not be shared with a third party company or consumer by anyone engaged by said company listed in the FABCO Membership Contract.

X: _____ (MEMBER/AGENT FOR) DATE: _____
Signature

X: _____ (AGENT FOR FABCO) DATE: _____